

COST PROPOSAL & SCORING GUIDE

NOTICE: THIS COST PROPOSAL MUST BE COMPLETED EXACTLY AS REQUIRED

COST PROPOSAL SCHEDULE – The Cost Proposal detailed below, shall indicate the proposed margin for the entire scope of services including all service defined in the Scope of Services of the RFP Attachment 6.8, Pro Forma Contract and for the entire contract period. The Cost Proposal shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any contract resulting from this RFP. All monetary amounts shall be in U.S. currency and limited to four (4) places to the right of the decimal point.

The Respondent shall provide a fleet fueling card that allows the purchase of unleaded, diesel, E85 and B20 fuels at retail fueling locations. In addition, the Respondent must supply unleaded, diesel, E85 and B20 fuels to state owned automated sites for purchase on consignment basis. All fuel purchases will be self-serve. The respondent shall bid a price for margin on a per gallon basis. All pricing based on the Oil Price Information Services (OPIS) “rack average” (RACK AVG) as published in the OPIS Newsletter. The sum of the margin, OPIS and any applicable taxes** shall be the total charge for fuel.

Unleaded and diesel fuel will be priced from the following rack locations in Tennessee: Chattanooga, Knoxville, Nashville and Memphis. The price for E85 will be a blended price based on the rack averages for pure ethanol and regular unleaded as taken from the Birmingham, AL rack. B20 will be the sum of 20% of the Birmingham, AL rack price for biodiesel and 80% of the applicable Tennessee rack price for diesel. Out-of-state fuel purchases will be based on the Memphis, TN rack, including the diesel portion of B20.

Prices are to be updated weekly based on the OPIS rack average for the close of business on Thursday of each week. The state’s preference is for the Thursday price to be effective at 10:01 a.m. on the preceding Monday through Sunday at 12:00 p.m. CST. However, the Thursday price may be applied to the following week if system constraints require an established price at time of sale. The option chosen (i.e. start on preceding Monday or following Monday) must apply for the duration of the contract.

****Purchases by the State are exempt from State of Tennessee and most all Federal taxes. The exception being the Leaking Underground Storage Tank Tax and Oil Spill Tax, collectively \$0.0029 per gallon on all fuels except E85 which is \$0.0024 per gallon. Taxes imposed by other states and local governments apply on purchases within their jurisdictions. Prices for biodiesel and ethanol blended fuels must include any tax credits that apply that would be available to the end consumer.**

NOTICE: The Evaluation Factor (Estimated Quantity) associated with each cost item is for evaluation purposes only. The evaluation factors do NOT and should NOT be construed as any type of volume guarantee or minimum purchase quantity. The evaluation factors shall NOT create rights, interests, or claims of entitlement in the Respondent.

Notwithstanding the cost items herein, pursuant to the second paragraph of the Pro Forma Contract section C.1. (refer to RFP Attachment 6.8) “The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.”

This Cost Proposal must be signed, in the space below, by an individual empowered to bind the responding entity to the provisions of this RFP and any contract awarded pursuant to it. If said individual is not the President or Chief Executive Officer, this document must attach evidence showing the individual’s authority to legally bind the responding entity.

ATTACHMENT 6.5. (continued)

RESPONDENT SIGNATURE:	
PRINTED NAME AND TITLE:	
DATE:	
RESPONDENT LEGAL ENTITY NAME:	

Instructions: Bidders are to complete the Margin field. Margins must be rounded to four (4) decimal places.

RETAIL FUEL PURCHASES									
Regular Unleaded 87-88 Octane									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	17,057,700 gallons	x	Sum of (1.15123	+	0.0029	+	\$_____)	
OPIS Gross Ethanol (10%) Rack Average Price for applicable TN rack									
Plus Unleaded 89-90 Octane									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	10,100 gallons	x	Sum of (1.6794	+	0.0029	+	\$_____)	
OPIS Gross Ethanol (10%) Rack Average Price for applicable TN rack									
Premium Unleaded 91 Octane or higher									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	11,300 gallons	x	Sum of (1.9990	+	0.0029	+	\$_____)	
OPIS Gross Ethanol (10%) Rack Average Price for applicable TN rack									
Number 2 Diesel Fuel (ULSD)									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	8,161,600 gallons	x	Sum of (1.7723	+	0.0029	+	\$_____)	
OPIS Gross No. 2 Distillate Price Rack Average Price for applicable TN rack									

E85		Est. Qty		OPIS		Tax		Margin
Contract Payment	=	22,700 gallons	x	Sum of (1.7411	+	0.0024	+	\$_____)
Sum of Birmingham, AL rack average price for the applicable percentage of OPIS Gross Pure Ethanol and the applicable percentage of OPIS Gross Clear (regular unleaded)								
B20		Est. Qty		OPIS		Tax		Margin
Contract Payment	=	3,200 gallons	x	Sum of (1.7198	+	0.0029	+	\$_____)
Sum of 80% of the OPIS Gross No. 2 Distillate Price Rack Average for the applicable Tennessee rack and 20% of the OPIS Gross Wholesale B99 SME biodiesel price for Birmingham, AL								

CONSIGNMENT FUEL PURCHASES

Regular Unleaded 87-88 Octane									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	2,523,600 gallons	x	Sum of (1.5123	+	0.0029	+	\$_____)	
OPIS Gross Ethanol (10%) Rack Average Price for applicable TN rack									
Number 2 Diesel Fuel (ULSD)									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	1,488,000 gallons	x	Sum of (1.7723	+	0.0029	+	\$_____)	
OPIS Gross No. 2 Distillate Rack Average Price for applicable TN rack									
E85 ¹									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	971,200 gallons	x	Sum of (1.7411	+	0.0024	+	\$_____)	
Sum of Birmingham, AL rack average price for the applicable percentage of OPIS Gross Pure Ethanol and the applicable percentage of OPIS Gross Clear (regular unleaded)									
B20									
		Est. Qty		OPIS		Tax		Margin	
Contract Payment	=	414,500 gallons	x	Sum of (1.7198	+	0.0029	+	\$_____)	
Sum of 80% of the OPIS Gross No. 2 Distillate Price Rack Average for the applicable Tennessee rack and 20% of the OPIS Gross Wholesale B99 SME biodiesel price for Birmingham, AL									

OPIS amounts are for evaluation purposes only. Quantities are estimated annual volumes and do not constitute a guarantee of quantities to be purchased under the contract. For illustrative purposes only, a sample OPIS Newsletter is provided in Appendix 3.

¹ The percent of ethanol included in the blend is seasonal. For State Automated sites the blending ratios at time of delivery shall be:

November - March	70/30 blend
April - May	74/26 blend
June - August	79/21 blend
September - October	74/26 blend

For expediency, the derived price shall be used for both automated and retail sites. The State understands that Respondents have no control over the percent of Ethanol contained in E85 sold at retail establishments. However, for our automated sites, the expectation is that E85 will follow the desired ratios. The State also reserves the right to alter these ratios should there be a need.

<p align="center">TOTAL EVALUATION COST AMOUNT (sum of evaluation costs above):</p> <p>The RFP Coordinator will use this sum and the formula below to calculate the Cost Proposal Score. Numbers rounded to two (2) places to the right of the decimal point will be standard for calculations.</p>		
$\frac{\text{lowest evaluation cost amount from all proposals}}{\text{evaluation cost amount being evaluated}} \times 40$ <p align="center">(maximum possible score)</p>		<p>SCORE:</p>
<p><i>State Use – RFP Coordinator Signature, Printed Name & Date:</i></p>		

